

## 7.4 Solving Financial Problems. Determining $i$ and $n$ .

Ex 1:

When Sean was born, his grandparents deposited \$5000 in an account that pays interest compounded quarterly. No further deposits or withdrawals were made. On Sean's 25th birthday, the amount in the account was \$22 160.23. What annual rate of interest did the account pay?

Ex 2:

Chad invests \$1500 into a savings account that pays 6% compounded semi-annually. How long will it take Chad to triple his money?

Ex 3:

- a) How long will it take for money to double at each interest rate compounded quarterly?
- b) Is the time cut in half when the interest doubles?

i) 5%

ii) 10%

